Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Labor & Workforce Development Committee

HB 1311

Brief Description: Making coverage of certain maritime service elective for purposes of unemployment compensation.

Sponsors: Representatives Chandler, Sells and Moscoso.

Brief Summary of Bill

• Excludes from mandatory coverage and allows elective coverage of certain fishing operations in which the crew on each boat is fewer than 10 individuals, and the individuals receive only a share of the catch, or a share of the proceeds of the catch, with the amount received dependent on the catch.

Hearing Date: 2/6/13

Staff: Joan Elgee (786-7106).

Background:

Most employment is covered employment for purposes of unemployment insurance. With respect to maritime employment, an individual's service as an officer or crew member of an American vessel is covered, wherever the service is performed, if the employer maintains in Washington at the beginning of the pay period an operating office from which the vessel's operations are ordinarily and regularly supervised, managed, directed, and controlled.

Summary of Bill:

Certain maritime employment is excluded from mandatory unemployment insurance coverage. Employment does not include services performed by an individual on a boat engaged in catching fish or other forms of aquatic animal life for which the individual receives a share of the boat's catch, (or multiple boats' if the fishing operation involves more than one boat), or a share of the

House Bill Analysis - 1 - HB 1311

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

proceeds from the sale of the catch, and the amount of the individual's share depends on the amount of the boat's or boats' catch. The exclusion applies only if the operating crew of the boat, or each boat from which the individual receives a share if the fishing operation involves more than one boat, is normally made up of fewer than 10 individuals. In addition, the individuals must not receive any other cash remuneration.

An employer may elect coverage for the excluded individuals. Clarification is added that the coverage provision does not apply to "reimbursable employers," employers that reimburse the Employment Security Department for benefits rather than pay taxes.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.